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INFO RUEHRG/AMCONSUL RECIFE 9690
RUEHRI/AMCONSUL RIO DE JANEIRO 7903
RUEHSO/AMCONSUL SAO PAULO 4248
RUEKJCS/JOINT STAFF WASHDC
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CONFIDENTIAL BRASILIA 000795

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STATE FOR WHA AND PM

E.O. 12958: DECL: 06/22/2019

TAGS: MASS PREL BR

SUBJECT: INFLUENCING BRAZIL'S LEADERS TO BUY U.S. FIGHTERS

REF: A. BRASILIA 634

1B. BRASILIA 730
1C. BRASILIA 659

Classified By: AMBASSADOR CLIFFORD SOBEL. REASON 1.4(d)

- 11. (C) With the June 10 submission of Boeing's best and final offer for Brazil's four billion dollar FX2 fighter competition, it is now up to Brazil's government to decide on an aircraft. A decision from the National Defense Council (President Lula and key Ministers) is expected at the beginning of August. Based on feedback received from Air Force sources, Boeing believes that it leads in terms of technical evaluations and is working with the U.S. Congress on a solution to Brazil's financing concerns (ref c). Once the Brazilian Air Force completes its technical evaluation of the proposals, its recommendation will be forwarded to the political leadership by July 12, where intensive high-level lobbying from Boeing's competitors have left the Super Hornet at a disadvantage. To counter this and remove any lingering doubts about USG backing for Boeing's proposal, post recommends the following urgent steps:
- -- The single most important action to maximize the chances success will be for President Obama to raise the sale with President Lula at the G8/G5 Summit in Italy. Lula will have the final decision, and the President's strong relationship with him could prove decisive.
- -- Secretary Clinton could call Foreign Minister Amorim to highlight the importance of the sale for strengthening our partnership with Brazil and the long term benefits to both economies.
- -- Secretary Gates could call Defense Minister Jobim to underline the importnace of the sale and the benefits for Brazil's defense industry to a lartnership with Boeing. This call should take place before Jobim departs to spend most of July on vacation in France.
- -- There is still doubt within the Air Force that the State Department wil ultimately agree to the transfer of technology as proposed by Boeing. Under Secretary Burns gave verbal assurances of this to visiting Brazilian legislators June 2, but these have not reached the Air Force, whose commander, Brig. Saito has asked for such written assurances previously. A letter from Burns restating these points would remove any remiening doubts.
- 12. (C) While these efforts are underway, post also recommends that the advocacy letter currently being developed be completed and forwarded to Brazil to complement the above steps. Given the importance of personal contacts to

Brazilians, the letter by itself is not enough, but it will give substantial evidence of USG support for the sale.

¶3. (C) There has been an intense, coordinated French government lobbying effort. President Sarkozy has raised the sale several times with Lula. The French Minister of Defense and Presidential Military Advisor have established a direct line of communications (without going through the French Embassy) with Jobim. Jobim was recently wined and dined extensively at the Paris Air Show and has accepted an invitation to be an official guest of the French MOD at Bastille Day.

SOBEL